

## INFORMATION REPORT INFORMATION

## CENTRAL INTELLIGENCE AGENCY

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COUNTRY Hungary

REPORT

SUBJECT The Hungarian Aluminum Industry

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Development of the Industry

1. Prior to World War II, exploitation of Hungary's rich bauxite deposits was negligible; its only alumina plant, in Magyarovar, for example, produced 2,000 tons annually, while the Manfred Weisz smelting plant in Csepel, which was destroyed during the war, produced 1,000 tons annually. During the same period, however, plans were drawn up for the expansion of the industry, specifically envisaging the construction of an alumina plant and foundry in Ajka. The installation was financed by the Hitelbank and the Altalancos Takerek, while the Egyesult Izzo built the power plant. Subsequent construction of an alumina plant at Almasfűzitő was not completed because of the war. A new foundry with an annual production of 9,000 tons began operating in 1940. During the war, mining operations were rapidly expanded, and large quantities of bauxite, particularly from the Gant mines, were shipped to Germany. (M) 8/27
2. After the war, all bauxite mines, the Ajka complex, and the Szekesfehervar rolling mill were placed under Soviet control. In 1949 - 1950 the Soviet-Hungarian company Maszobal was established to control the following: (L/10)
  - a. Bauxite mines in Gant, Iszkaszentgyörgy, Nyirad, and Halimba.
  - b. Alumina plants in Ajka, Magyarovar, and Almasfűzitő. (The latter was completed by the Soviets in 1950-1951.)
  - c. Foundries in Ajka, Tatapanya, and Inota.
  - d. The rolling mills in Szekesfehervar and Kőbanya. (The latter had been reconstructed by the Hungarians, since the Soviets had dismantled the plant.)
  - e. The Scientific Research Institute in Balatonalmádi. The Hungarians retained independent control only of Aluminiumgyar, formerly Magyar Fenntarteszi par R.T., and the rolling mill in Csepel.

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(Note: Washington distribution indicated by "X"; Field distribution by "#".)

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Bauxite Mines

3. Nyirad: Annual output is approximately 200,000 tons. High-grade bauxite (rating M 13-18) is mined both below and above ground, the latter especially at the recently discovered deposits near Darvasto. From Nyirad the material is transported to Zalashalap by truck, since there is no railroad line, and from Darvasto bauxite is transported to Zalashalap by cable cars, and from there to Ajka and, to a lesser extent, to Almasfűzitő.
4. Gant: Some 500,000 tons per annum are mined in over-ground quarrying, which is the highest output of any Hungarian mine. Because of over-exploitation of the deposits by the Germans and the Soviets, the bauxite produced is of a very low quality (rating M-6), but is, however, principally destined for export.
5. Iaszkaszentgyörgy: 200,000-300,000 tons per annum (rating M 9-10) are mined below ground, most of which is shipped to Almasfűzitő. A small amount is export.
6. Halimba: Bauxite (rating M 9-10) is mined above and below ground, and either exported or destined for the plants in Magyarovar and Almasfűzitő.
7. In 1956 the output of the mines totalled 1,200,000 tons, half of which was exported. However, on the basis of existing reserves, the 1956 plan called for the exportation of 800,000 tons. This target was not attained because the Soviets demanded quality at a low price (the highest offer was 16 rubles per ton). East Germany imports about 230,000 tons and Czechoslovakia 100,000 tons (rating M 6-7) of bauxite annually. The Czechs have been stockpiling large quantities for an aluminum plant which is under construction.

Alumina Plants

8. Almasfűzitő: The plant, which was built from German blueprints and is based on the Bayer method, has a potential annual output of 120,000 tons. It supplies the requirements of the foundries in Inota and Tatabanya, and also exports alumina to Czechoslovakia and, to a lesser extent, to Poland. The staff numbers some 1,700 workers.
9. Ajka: Most of the output is destined for the local foundry, while the remainder is shipped to Inota and exported to neighboring countries. In 1956 enlargement of the plant, which now employs about 1,400 workers, was completed at a cost of 80 million forints. Its potential annual output is 40,000 tons.
10. Magyarovar: Expansion of the plant continues. The quality of alumina produced there is so inferior that the local industry will not process it, and the entire output, 40,000 tons annually, is exported. The staff numbers 800 workers. The combined output of the above plants amounts to 200,000 tons per annum, about half of which is exported, almost exclusively to Soviet satellite countries.

Foundries

11. Ajka: Annual output reaches 12,000 tons of 99.5 percent pure aluminum for the rolling mill in Szekesfehervar. As described in Hungarian, the composition of the metal is Egalizált Fem Otvozott És Otvozetlen Prestuskok.

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12. Inota: Owing to difficulties in the power supply, the works only began operating in 1951. Their present annual output amounts to 25,000 tons of the same type of material as at Ajka, which is destined for the rolling mills in Szekesfehervar, Kőbanya, and Csepel. Since 1955 the plant has also produced aluminum with a high degree of conductivity, which reportedly is equal to the standard of the West German DIN and Canadian products. The foundry employs approximately 1,200 workers.
13. Tatabanya: The average aluminum produced is 99.6 percent pure and of high conductivity, but the plant also refines some aluminum of 99.90-99.99 percent purity, which is greatly in demand by chemical and electric industries in Western countries. Recently the annual output has not exceeded 5,000 tons, although the plant reportedly has a potential of 9,000 tons. The staff numbers 400 workers. According to the 1956 plan, aluminum production was to have reached 41,000 tons, but the actual output fell short of this figure owing to the rebellion. The 1957 plan, drawn up in 1956, envisaged a production of 43,000 tons; meanwhile, however, foundries have been idle because of the existing shortage of power, and the 1957 output is not expected to exceed 9,000 tons.

Rolling Mills

14. Szekesfehervar: Built under German supervision in World War II, this plant has an annual output of 12,000 tons. Of these, 8,000 tons are rolled aluminum and the remainder is what is designated in Hungarian as Preselt És Huzott. The mechanical equipment includes Skoda and Aschenbach machines, and a French Morane press developing up to 1,800 tons. The plant supplies about 70 percent of the 9,000 tons of rolled aluminum which are exported annually to the USSR, as well as various types of aluminum alloys. In 1952 the Soviet military authorities placed an order for about 400 tons of spark-plug components. For this purpose the plant set up an additional shop with special machinery (Frikecios Presek), and finished products were sent to an enterprise in Magyarovo.
15. Kőbanya: Following the dismantling of the plant's machinery by the Soviets, outdated machinery was installed, of which two Martos and Herz presses turn out 300-400 tons out of a total annual production of 6,000 tons. The quality of the product corresponds to that of Szekesfehervar, and is both exported to the USSR and absorbed by the local industry. Machinery for the production of aluminum foil was transferred to the mill from Csepel, but owing to various difficulties this branch was not opened until August 1955. Moreover, a British expert was summoned in mid-1956 to supervise the re-installation of the machinery. About 100 million forint have been invested in this project, but operations had not yet begun as of late 1956. The plant employs about 450 workers.

Research

16. The Aluminum Research Institute (Aluminium Tervezés Intézet): at No. 18, Kosuth Lajos Ter, Budapest, is also concerned with planning and development of the industry. Its director, Ferenc Nagyobb, 40-45, formerly served as deputy head of the Maszobal company and has no professional knowledge, owing his appointment to purely political reasons.

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The chief engineer, Istvan Gebefügl,

Comment: It would appear unlikely that the plant produces spark plugs. The term Gyújtőfej was used.

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The chief engineer, Istvan Gebeffigi

[redacted] It was said in late 1956 that the entire staff of the Institute was opposed to the régime.

[redacted] Comment: It would appear unlikely that the plant produces spark plugs. The term Gyújtófej was used.

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